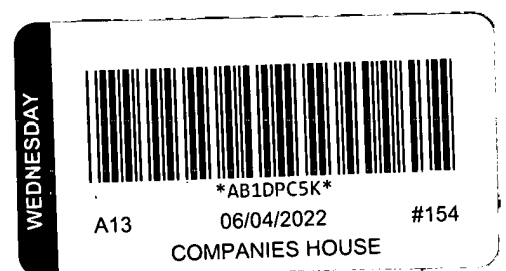


ACT (ADMINISTRATION) LIMITED
Registered No. 1713927

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**



ACT (ADMINISTRATION) LIMITED
Registered No. 1713927

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ACT (ADMINISTRATION) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors have pleasure in presenting their report together with financial statements for the year ended 31st December 2021.

2021 has been another year of change and uncertainty. Within this context the Council continues to be proud of the achievements of the company complimenting the work of the ACT – whether it be through: our continued undisrupted support of our students through our online learning and assessment and our training courses; or indeed our events programme which not only continued to provide excellent innovation in virtual events (and picking up several awards from the prior year’s events), but also ventured back into physical events with a hugely successful Reunion Dinner, an outstanding Working Capital conference and a well-received small lunch – all in the final quarter of the year. The Reunion Dinner was particularly special in that we consulted with key large group treasurers to seek their opinion and advice, and hence had several of them already ‘signed up’ for tables before we went out to some of our closest sponsors and relationships – which ensured the event was viable in financial terms.

It has been a year of change, albeit less so than 2020 given the team’s greater experience and there being less of a ‘surprise factor’. What did come as more of a surprise was the downturn in qualifications revenue in the summer and into October, after which there was some recovery although against a lowered forecast. Our research suggests a lot of the issue was around the choices people were making at a time when they wanted to get back to a normal social life and away from their screens after work, exacerbated by employers cutting training budgets as well as a trend towards carrying out shorter, more focused pieces of learning (this last point being driven somewhat by the previous two, as well as a general trend we hear of amongst younger people). We are looking at ways to stimulate more engagement, and our treasury community is still saying it regards our qualifications as necessary and of the highest quality.

We held a virtual Annual Conference again in 2021, and co-located the annual NACT (US) conference on the platform, and ran our Middle East Treasury Summit as well as our Festival of Treasury Transformation virtually as well. As the year progressed and as we noted lower engagement from delegates in terms of virtual events (whilst still having good statistics, helped by the fact that we made all content available on demand after each event), we made cost savings by reverting to our original and more cost-effective platform. This platform had made improvements in the meantime, and we had also got to a stage with people starting to meet physically again that an expensive technology to help with virtual networking was no longer a priority.

Other highlights of the year were: our refreshed Certificate in International Cash Management going live; our digital credentials being rolled out; a number of cost-free treasury mini events ‘overseas’ held virtually, either as part of Global Trade Review’s activities, or via ACT Nigeria, for example; monthly roundtables with the large group treasurers in the US of the NACT, as well as our regular meetings with the FTSE20 treasurers; and our Chief Executive’s strategic insights podcasts added to with a new, COVID-focused series available on the website as well as Spotify, Apple Podcasts, and other platforms.

ACT (ADMINISTRATION) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2021

The overall financial results of the year were impacted by the qualifications dip, but although we missed budget, we met our revised and approved target for the year through a number of actions: a number of redundancies, five of the SLT going again to 80% pay and hours from August, and other smaller cost savings. With the bank loan of £1.5m under the government CBILS scheme, from NatWest, our cash position remains healthy. We have a refreshed medium-term plan which will allow us to both repay the loan and build back reserves.

ACT (Administration) Limited is a wholly owned subsidiary of the Association of Corporate Treasurers ('ACT'). The Association of Corporate Treasurers is the only professional treasury body with a Royal Charter. We set the global benchmark for treasury excellence and lead the profession through our internationally recognised qualifications, by defining standards and by championing continuing professional development. We are the authentic voice of the treasury profession representing the interests of the real economy and educating, supporting and leading the treasurers of today and tomorrow.

Vision

Our vision is that treasury everywhere has the highest standards of professionalism, bringing success to organisations and creating strong economies through strategic balancing of financial risks and opportunities.

Mission

Our mission is to embed the highest standards of professionalism and integrity in the treasury world, and act as its leading advocate.

Principal activities

The company is principally engaged in:

- arranging of conferences, events, training courses, and meetings for members of The Association of Corporate Treasurers and others
- production, sale and distribution of the group's publications
- provision of tuition, study materials and assessments for students taking the company's examinations.

We educate through qualifications, training and in-company learning programmes, all underpinned by our comprehensive competency framework.

We grow networks and provide continuing professional development through events, conferences and our regional treasury networks.

We guide, inform and support through our policy and technical work, our webinars and publications (including The Treasurer magazine), as well as our membership services.

International focus

As the world's leading provider of treasury qualifications, the ACT is committed to supporting the development of the treasury profession worldwide. Anyone who has successfully completed the ACT qualifications can become a member, wherever they are located.

ACT (ADMINISTRATION) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2021

Students across the world can study for ACT qualifications online through the ACT Learning Academy and sit their assessments remotely too. In 2021 all our activities had no physical element, so there were no barriers at all to overseas students. This is something we can build on. We had been able to make the necessary changes without any disruption to our programme and other work, and specifically our exam sittings, unlike other bodies who have been slated in the press, for example, for letting down students. We entered discussions with a large overseas financial training and membership organisation in the summer around a joint certification programme for their country, and anticipate that this will go live in 2022.

We have continued to work closely with our Middle East, East Africa and Asia advisory panels on the ground, holding regular meetings to support each other through the challenges. Matthew Hurn OBE, Chair of our Middle East advisory panel, stepped down in late 2021 although continues to be Honorary Chair and Lifetime Patron of the ACT Middle East Advisory Panel, and James Adams (Chalhoub Group) has taken on the role of Chair going forwards. We also are appointing 'local' chairs of our Asia and East Africa advisory panels, previously chaired by the Chief Executive of the ACT.

Our Chief Executive continues to be Deputy Chair of IGTA, served as President of the NACT and Deputy Chair of the EACT and, as well as sitting on the FICC Markets Standards Board Advisory Panel, she is also a member of the Bank of England/Pay.UK Standards Advisory Panel, and the Pre-Emption Group.

We carried out a peer benchmarking review, supported by Deutsche Bank, amongst 200 multinational group treasurers, and issued personalised reports to each as well as publishing a guide to best practice and holding a webinar on the subject. We are rolling out an alternative to the bi-annual Handbook we collaborate on with HSBC Asset Management by creating a knowledge hub and series of events which will replace it.

Highlights of 2021

Influencing and informing: technical guidance

Keeping our Policy & Technical (P&T) team and their work at the heart of our organisation continues to be part of our agreed strategy and more important than ever in COVID, LIBOR transition and post-Brexit times. We continued our technical briefings, webinars, P&T attendance at treasury network events, replying to technical queries, contributions to our publication *The Treasurer* (as well as online publications) and by working closely with programme managers to ensure relevant content in our now virtual events for treasurers. Additionally we introduced the *talkingtreasury* series as a regular Teams member event where our P&T team discuss current hot treasury topics and take questions. P&T staff participate in the Financial Regulation Advisory Groups of the EACT and Business Europe. We worked as closely as ever with regulators, key decision-makers and other bodies to ensure the voice of the 'real economy' was heard in 2021, and our reach grew further as we continued our strong collaboration with the Bank of England and the FCA on current developments, and took up further positions on key working groups and advisory

ACT (ADMINISTRATION) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2021

panels. Examples include Vice-Chair of the Sterling RFR Working Group on LIBOR transition and membership of the working group that updated the UK Money Markets Code in 2021.

Annual conference

Our flagship event was deferred to October, and in the end took place virtually, with delegates up 50% on prior year. Conversion (from registration to attendance) was at 82%, which is excellent. The Rt Hon William Hague spoke at the event, and we spread the content over four days to make it as impactful as possible, with a mix of pre-records and live sessions, and we allowed delegate access for a month after the event. We co-hosted the NACT conference on the same platform, which had the look and feel of a live event. We also hosted our Deals of the Year gala event on the platform and had some fantastic entries and winners this year. Our Timeout Zone was well-received, and the networking capability and analytics behind the platform enabled 5,000 leads for our 50 sponsors.

Middle East Treasury Summit

This event, which has been growing exponentially, had good numbers at 500, but the region does not engage as well in virtual events as physical, so we had to look carefully at how we could encourage and maintain engagement. We were honoured to have Sheikha Shamma bint Sultana bin Khalifa al Nahyan speak as a keynote, as well as a ministry official, and one of the top 100 women in tech, Raja al Masrouei. The great thing about virtual events is that there is often better availability of top speakers in the online world.

Return to live events

Q4 saw us make a return to live events, and deliver three very different offerings. We ran a roundtable lunch in November which attracted a small group of senior treasurers who engaged in a focussed discussion around ESG. There was excellent engagement from those in attendance. This format is a great addition to the events portfolio.

The ACT Reunion Dinner concept was developed in consultation with our FTSE20 group, and was an overwhelming success. After inviting bookings from our key corporate treasurers first, and then loyal sell-side partners, we were quickly in a position where we needed to increase our original audience target of 120 to 220, while keeping a close eye on safeguarding those attending by using a different format at the venue to keep the room well-spaced.

Our Working Capital Conference was run in early December, and registered numbers were really positive though COVID/Omicron did have an impact on live numbers and we delivered just over 50% conversion. External feedback was positive however, with our lead sponsor NatWest commenting it was the best content they had seen in a long time.

Award in International Cash Management and Certificate in International Cash Management

Award had launched in September 2020, and the Certificate followed in January 2021. We no longer have an in-person element to the course, and this shift allows participation from all around the world, saves on carbon footprint and we are now open to a much larger pool of possible students. Our challenge is funding of digital marketing – we know it brings a solid return still, but less so than in the past (probably due to the huge increase in digital traffic

ACT (ADMINISTRATION) LIMITED REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021

during the last year or two) – and we test carefully which geographies are more responsive before we commit all our spend.

Member engagement

Our members continue to support us by volunteering in all kinds of ways, and this has continued through 2021. Our 93% renewal rate is fantastic (we said that last year, at 91%!), and we have continued to increase the level of re-engagement from members who had previously left us. Our focus recently on members about to retire has been very well received, and it was again a delight to be able to connect with our retired members at the back end of the year, via Microsoft Teams, given the usual springtime lunch could not go ahead again this year.

Publishing

The ACT Guide to Best Practice was a key publication connected to the Peer Benchmarking Review we carried out with the support of Deutsche Bank, and was received well, and it was accompanied by a webinar which included on the panel one of our Asia Advisory Panel members, Claudia Villasis. The Guide included articles from a number of group treasurers, including our members.

Our Business of Treasury research was very useful in giving insight into how treasurers were working and feeling through the first year of COVID, and the report was well received. One key insight was around the level of trust engendered through working remotely over the period – our treasurers felt more trusted by their bosses, and they trusted their teams more.

Online content has continued to be a huge focus and our general newsletter, members' newsletter, Future Leaders in Treasury newsletter and ACT students' newsletter, as well as a wealth of other online offerings, have continued to provide our readership with everything they need in order to do their jobs well as well as develop their careers.

Brand and website

The ACT website continues to be developed and updated to best serve the needs of our members and the treasury community. In 2021 we focused on the Knowledge Hub section which provides access to treasury resources and is curated by the Policy & Technical team. In particular we aligned the subject areas with the ACT Competency Framework to provide a more logical structure. In addition, we added content links to each online article for The Treasurer magazine in order to give readers easier access to further reading and resources. Our 2021 work with Cicero/AMO to get our voice and brand into the public sphere continues to be successful, with articles in The Daily Telegraph, Financial Times and The Times as well as Reuters and Bloomberg.

Apprenticeships

In June 2019 we announced the exciting news that the ACT qualifications, Diploma in Treasury Management (AMCT) and Certificate in International Cash Management (CertICM), had been added to the Financial Services Professional Apprenticeship standard (FSP). We

ACT (ADMINISTRATION) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2021

'launched' the programme in September 2020, in collaboration with Kaplan. Our first cohort started the programme in June 2021. We have since made further progress in working with the Institute for Apprenticeships (IFATE) to see whether the FSP apprenticeship standard could be made accessible to our corporate members. This change has been welcomed and we are working with the trailblazer group to add a treasury route into the standard. If successful, this should be available from September 2022. Additionally, we are looking at the other standards within the same area, to see whether we could add our qualifications to those as well, which would broaden our offering in this space.

Future view

We continue to review and adjust our activities in light of the impact of the ongoing COVID-19 pandemic but our key strategic objectives in 2022 continue to be:

- ensure that Policy & Technical is the 'heart' of the organisation, demonstrating thought leadership, and representing the first port of call for regulators and government. We will do this by creating an intellectual agenda, whilst offering practical guidance and advice; this is even more relevant in the current environment
- engage our members and supporters more to ensure we stay relevant
- ensure the relevance and quality of all qualifications, as well as CPD/training products, in turn maintaining high professional standards in treasury
- build key senior relationships with sponsors and other stakeholders and leverage those to grow and innovate
- focus on increasing sales in our target markets
- build appropriate and high-quality management information for the organisation (financial, marketing, students, etc).

Particular items of focus for 2022 to support these strategic objectives will be:

- looking at areas to simplify in terms of what we do and how we do it – in particular via the new CRM and new Learning System
- progressing our focus on how the ACT can become more recognised in the public sphere
- remaining ruthless in our focus on the big, critical priorities for the ACT.

Results for 2021

There was a deficit for the year after tax of £998k (2020: £1,086k).

Fixed assets

Movements in fixed assets during the year are detailed in notes 7 and 8.

ACT (ADMINISTRATION) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2021

Current asset investments and treasury policy

The Association's treasury policy is reviewed and approved by the directors annually. Approved instruments are currently limited to treasury deposits, money market funds and UK Government securities.

Investments in money market funds are limited to £2,000k with any one fund, that abide by the IMMFA code (Institutional Money Market Funds Association), are rated AAAm by Standard & Poor's or another recognised rating agency, are sterling funds and are managed by a reputable firm. The Association's investment in a money market fund should never represent more than 5% of the total fund.

Investments in treasury deposits may only be made with institutions carrying a minimum rating for short-term funds of A-1+ or a minimum long-term rating of AA-, and deposits are limited to £0.5m with any one institution and a maximum of 12 months maturity.

Investments in sovereign debt issued by the UK Government must be denominated in sterling and have remaining maturities of less than 24 months. For such investments there is no upper limit on the amount, nor any credit-rating threshold.

Going concern

The Company meets its ordinary working capital requirements through its normal activities, with additional share capital being issued to its parent when required. During the year, 100,000 shares of 10p each were issued for an aggregate consideration of £1,000k.

The Directors have assessed the Company's ability to continue as a going concern throughout 2021 and again after year end, given the impact of COVID-19 on its circumstances. The Directors have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements, including regular reviews of performance and ensuring the statement of affairs is regularly refreshed and reviewed. The Directors have considered key further risks that could negatively impact the Company going forwards, and through performance monitoring as well as horizon scanning are in a position to assess whether there are any real threats to the forecasts.

The COVID-19 pandemic had a significant impact on the Company's operations initially, and then this has continued for a further year, but the organisation has taken action, and with a lower cost base from redundancies and changed working hours, as well as having served notice on its office premises, the ACT is poised for a solid future, especially with the support of the CBILS loan to the ACT to ensure ongoing liquidity in the short term. The ACT's 93% membership renewal rate in 2021 is witness to the strong support from our members. The ACT's reputation and level of delivery to members remains at an all-time high. In addition, the company's parent, the Association of Corporate Treasurers ('ACT'), has indicated that it will continue to support the company for at least twelve months.

After considering these factors, the Directors have concluded that the Company has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

ACT (ADMINISTRATION) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021

Disclosure of status and information to the auditor

So far as the directors are aware there is no relevant audit information of which the company's auditor is unaware and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors

The directors who served on the board during the year, and/or at the time of signing the financial statements, are listed below:

Agnes Favillier
Constantinos (Dino) Nicolaides
Caroline Stockmann
Paul Wilde

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable laws and regulations.

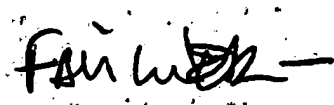
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**ACT (ADMINISTRATION) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Agnes Favillier
Director



Caroline Stockmann
Director

Dated: 23 March 2022

Registered Office: 69 Leadenhall Street, London, EC3A 2BG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACT (ADMINISTRATION) LIMITED

Opinion

We have audited the financial statements of ACT (Administration) Limited ('the company') for the year ended 31 December 2021 which comprise the Statement of Income and Retained Earnings, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACT (ADMINISTRATION) LIMITED

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the directors' report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACT (ADMINISTRATION) LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context was the Companies Act 2006. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the company for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

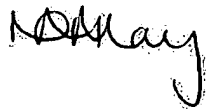
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Appointments, Remuneration and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence and reading minutes of meetings of those charged with governance.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACT (ADMINISTRATION) LIMITED

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 25 March 2022

ACT (ADMINISTRATION) LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 £'000 | 2020 £'000 |
|--|-------|-----------------|-----------------|
| Turnover | 2 | 2,797 | 2,998 |
| Direct Costs | 3 | (1,432) | (1,523) |
| Gross surplus | | <u>1,365</u> | <u>1,475</u> |
| Administrative expenses | | (2,363) | (2,562) |
| Operating deficit | 4 | <u>(998)</u> | <u>(1,087)</u> |
| Interest receivable | | - | 1 |
| Deficit on ordinary activities before tax | | <u>(998)</u> | <u>(1,086)</u> |
| Tax | 6 | - | - |
| Deficit for year | | <u>(998)</u> | <u>(1,086)</u> |
| Retained earnings at start of year | | (10,431) | (9,345) |
| Retained earnings at end of year | | <u>(11,429)</u> | <u>(10,431)</u> |

All the activities of the company are derived from continuing operations.

ACT (ADMINISTRATION) LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2021

| | Notes | 2021 | | 2020 | |
|---|--------|------------|-------------------|--------------|-------------------|
| | | £'000 | £'000 | £'000 | £'000 |
| Fixed Assets | | | | | |
| Intangible assets | 7 | | 74 | | 88 |
| Tangible assets | 8 | | 214 | | 222 |
| | | | <u>288</u> | | <u>310</u> |
| Debtors: amounts falling due after one year | 9 | | - | | 154 |
| Current assets | | | | | |
| Debtors | 10 | 1,053 | | 498 | |
| Investments | 11 | 93 | | 58 | |
| Cash at bank & in hand | | <u>189</u> | | <u>1,430</u> | |
| | | | 1,335 | | 1,986 |
| Creditors: amounts falling due within one year | 12 | | <u>(1,302)</u> | | <u>(2,110)</u> |
| Net current assets/(liabilities) | | | <u>33</u> | | <u>(124)</u> |
| Total assets less current liabilities | | | <u>321</u> | | <u>340</u> |
| Creditors: amounts falling due after one year | 13 | | - | | (21) |
| Provision for liabilities | 14 | | (50) | | (50) |
| Total assets less liabilities | | | <u><u>271</u></u> | | <u><u>269</u></u> |
| Reserves | 16 | | | | |
| Share capital | 15, 16 | | 450 | | 440 |
| Share premium | 15, 16 | | 11,250 | | 10,260 |
| Income and expenditure | 16 | | <u>(11,429)</u> | | <u>(10,431)</u> |
| | | | <u>271</u> | | <u>269</u> |

The financial statements were approved by the directors on 23 March 2022.



Agnes Favillier
Director

Company Registration Number **1713927**



Caroline Stockmann
Director

ACT ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

Basis of accounting

These financial statements have been prepared in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Going concern

The Company meets its ordinary working capital requirements through its normal activities, with additional share capital being issued to its parent when required. During the year, 100,000 shares of 10p each were issued for an aggregate consideration of £1,000k.

The ACT Council has assessed the Company's ability to continue as a going concern throughout 2021 and again after year end, given the impact of COVID-19 on its circumstances. The Directors have considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements, including regular reviews of performance and ensuring the statement of affairs is regularly refreshed and reviewed. The Directors have considered key further risks that could negatively impact the Company going forwards, and through performance monitoring as well as horizon scanning is in a position to assess whether there are any real threats to the forecasts.

The COVID-19 pandemic had a significant impact on the Company's operations initially, and then this has continued for a further year, but the organisation has taken action, and with a lower cost base from redundancies and changed working hours, as well as having served notice on its office premises, the ACT is poised for a solid future, especially with the support of the CBILS loan to the ACT to ensure ongoing liquidity in the short term. The ACT's 93% membership renewal rate in 2021 is witness to the strong support from our members. The ACT's reputation and level of delivery to members remains at an all-time high. In addition, the company's parent, the Association of Corporate Treasurers ('ACT'), has indicated that it will continue to support the company for at least twelve months.

After considering these factors, the Directors have concluded that the Company has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

Recognition of income and expenditure

a) Publications

All income arising from publications is accounted for in the year in which the publication sales are made. All related expenditure arising from the printing and publication of the group's publications is accounted for in the period of publication. No value is placed on copies of publications remaining unsold at the end of the accounting year.

b) Conferences

ACT ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Income and expenditure arising from conferences, seminars and similar events are recognised wholly within the accounting period in which they started. Any fees received relating to conferences taking place post year end are included within deferred income.

c) Educational activities

Income arising from educational activities consists of course fees, assessment fees, seminars and residential course fees. Expenditure relates to the cost of setting and holding examinations, preparation of course material and holding student meetings, seminars and residential courses.

Income from learning programmes are recognised either when invoiced, over a period of study or in the month of a relevant residential school depending on which best reflects the period or activity generating the right to the related earned income. Income from Assessments are recognised in the month of the assessment.

Operational costs of the courses i.e. costs for online course delivery, production and distribution of course content, and the cost of the assessment setting and marking of papers, are recognised as they arise.

Intangible assets

The cost of developing new study material for the company's professional qualifications are classified as an intangible asset. These costs are amortised over three years commencing on the date that the new material is used within the learning programme. At least every five years, but no more than every three years, a full review of each syllabus is carried out and the further development costs arising from this review are also classified as an intangible asset and amortised over three years commencing from the date that revised course material is issued to students. The cost of annual technical revisions to each syllabus is recognised in the year in which they are incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets by equal annual instalments over their expected useful economic lives.

The rates used are:

| | |
|---------------------------------|---|
| Leasehold Improvements | 20% (or over the life of the lease, if shorter) |
| Fixtures and Fittings | 20% |
| Computer Equipment and software | 20% |
| Website development costs | 20% |
| Development of Qualifications | 20% |

Leased assets

ACT ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

All leases currently in operation are regarded as operating leases and the total payments made under them are charged to the income and expenditure account on a straight line basis over the lease term.

Contributions to pension fund

The company operates a defined contribution scheme. Contributions are charged in the income and expenditure account as they become payable in accordance with the rules of the scheme, amounting to £187k in 2021 (2020: £188k). At 31 December 2021 contributions of £21k were outstanding (31 December 2020: nil).

Investments

Current asset investments are held at fair value.

Tax

Tax on the surplus or deficit for the year comprises current and deferred tax. Tax is recognised in the income and expenditure account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or deficit for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Interest receivable and interest payable

Interest payable and similar charges includes interest payable and net foreign exchange losses. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains. Interest receivable and interest payable are recognised in the income and expenditure account as they accrue, using the effective interest method.

Foreign currency transactions

Transactions in foreign currencies are initially recorded in sterling by applying the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Income Statement.

Financial instruments

The company has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors.

Investments held as part of an investment portfolio are held at fair value at the balance sheet date, with gains and losses being recognised with income and expenditure.

ACT ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

At the balance sheet date, the company held financial assets at amortised cost of £976k (2020: £1,727k) and financial assets at fair value of £93k (2020: £58k) and financial liabilities at amortised cost of £338k (2020: £344k).

Accounting estimates and judgements

The company's policy is to provide for debts which are over 180 days old as at the Balance Sheet date, adjusted for any payments received up until the accounts are completed. At the end of 2021 this provision is £16k (2020: £98k).

Disclosure exemptions

Under FRS102, ACT (Administration) Limited has taken advantage of the following disclosure exemptions:

- cash-flow statement
- related party note re the Association of Corporate Treasurers as the company is a wholly-owned subsidiary.

2. Turnover

Turnover comprises income from educational activities, conferences, training courses and publications.

3. Direct costs

Direct costs comprise the costs of the delivery of education, running of conferences and training courses and the printing and distribution of the company's publications.

4. Operating deficit

Operating deficit is stated after charging:

| | 2021 £'000 | 2020 £'000 |
|--|---------------|---------------|
| Legal and professional charges | 40 | 48 |
| Fees payable to the company's auditor for audit of the company's annual accounts | 19 | 9 |
| Fees payable to the company's auditor for other services | 2 | 7 |
| Depreciation | 79 | 73 |
| Amortisation of intangible assets | 26 | 36 |
| Operating lease | 144 | 146 |

5. Directors and employees

| | 2021 £'000 | 2020 £'000 |
|-----------------------|---------------|---------------|
| Wages and salaries | 1,616 | 1,729 |
| Social security costs | 181 | 198 |
| Other pension costs | 187 | 188 |
| | <u>1,984</u> | <u>2,115</u> |

ACT ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The average full-time-equivalent number of employees during the year was:

| | 2021 | 2020 |
|------------------------------|---------------|---------------|
| | Number | Number |
| Education | 12 | 12 |
| Conferences and publications | 11 | 11 |
| Finance and administration | 14 | 14 |
| | <u>37</u> | <u>37</u> |

This average full-time-equivalent is calculated by including part-time employees as a proportion of full-time employees, based on the number of actual days worked per week.

The average headcount for the year was 40 (2020: 45).

During the year, the company made payments in respect of staff leaving the group of £19k (2020: nil) including redundancy payments. All amounts were accounted for in the year.

Only one Council member (in the role of Chief Executive) earned emoluments during the year and these totalled £181k (2020: £221k).

Chief Executive emoluments:

| | 2021 | 2020 |
|---------------------|--------------|--------------|
| | £'000 | £'000 |
| Wages and salaries | 157 | 192 |
| Other pension costs | 24 | 29 |
| | <u>181</u> | <u>221</u> |

Key management of the company consists of the Chief Executive supported by 7 (2020: 7) directors of departments. The aggregate remuneration figure (including employer's national insurance and pension contributions) totalled £787k (2020: £899k) for the year.

ACT ADMINISTRATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Tax

Total tax expense recognised in the income and expenditure account:

| | 2021 £'000 | 2020 £'000 |
|--|---------------|---------------|
| Current tax | | |
| Current tax on income for the period | - | - |
| Adjustments in respect of prior periods | - | - |
| Total current tax | - | - |
| Deferred tax | | |
| Origination and reversal of timing differences | - | - |
| Change in tax rate | - | - |
| Total deferred tax | - | - |
| Tax expense (income) relating to changes in accounting policies and material error | - | - |
| Total tax | - | - |

| | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|
| Analysis of current tax recognised in income and expenditure | | |
| UK corporation tax | - | - |
| Double taxation relief | - | - |
| Foreign tax | - | - |
| Total current tax recognised in income and expenditure | - | - |

| | 2021 £'000 | 2020 £'000 |
|--|---------------|---------------|
| Reconciliation of effective tax rate | | |
| Deficit for the year | (998) | (1,086) |
| Tax using the UK corporation tax rate of 19% (2020: 19%) | (190) | (206) |
| Change in tax rate on deferred tax balances | (622) | (166) |
| Fixed Assets permanent differences | 1 | 1 |
| Non-deductible expenses | - | - |
| Current year deficits for which no deferred tax asset was recognised | 811 | 371 |
| Under/(over) provided in prior years | - | - |
| Group relief surrendered | - | - |
| Total tax expense included in surplus or deficit | - | - |

ACT ADMINISTRATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Intangible fixed assets

| | Advanced Dip TM | International Certificate in Cash Mgt | Qualification certificates/ Dip TM | Total |
|----------------------------|--------------------|---|--|------------|
| | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | |
| At 1 January 2021 | 103 | 113 | 588 | 804 |
| Additions | - | 13 | - | 13 |
| Disposals/write-offs | - | - | - | - |
| At 31 December 2021 | 103 | 126 | 588 | 817 |
| Amortisation | | | | |
| At 1 January 2021 | 37 | 91 | 588 | 716 |
| Provided in the year | 21 | 6 | - | 27 |
| Disposals/write-offs | - | - | - | - |
| At 31 December 2021 | 58 | 97 | 588 | 743 |
| Net book amount | | | | |
| At 31 December 2021 | 45 | 29 | - | 74 |
| At 1 January 2021 | 66 | 22 | - | 88 |

8. Tangible fixed assets

| | Lease- hold improve- ment | Fixtures & fittings | Computer equip & software | Database system | Website Develop- ment | CRM project | Total |
|----------------------------|------------------------------------|------------------------|---------------------------------|--------------------|-----------------------------|----------------|------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | | |
| At 1 January 2021 | 199 | 32 | 149 | 212 | 65 | 40 | 697 |
| Additions | - | - | - | - | - | 71 | 71 |
| Disposals/write-offs | - | - | - | - | - | - | - |
| At 31 December 2021 | 199 | 32 | 149 | 212 | 65 | 111 | 768 |
| Depreciation | | | | | | | |
| At 1 January 2021 | 127 | 22 | 93 | 212 | 21 | - | 475 |
| Provided in the year | 42 | 7 | 17 | - | 13 | - | 79 |
| Disposals/write-offs | - | - | - | - | - | - | - |
| At 31 December 2021 | 169 | 29 | 110 | 212 | 34 | - | 554 |
| Net book amount | | | | | | | |
| At 31 December 2021 | 30 | 3 | 39 | - | 31 | 111 | 214 |
| At 1 January 2021 | 72 | 10 | 56 | - | 44 | 40 | 222 |

ACT ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

9. Debtors: amounts falling due after one year

There are no amounts falling due after one year (2020: £154k). The 2020 balance related to 69 Leadenhall Street, held under a lease, now shown as falling due within one year.

10. Debtors: amounts falling due within one year

| | 2021 £'000 | 2020 £'000 |
|--------------------------------|---------------|---------------|
| Trade debtors | 633 | 183 |
| Other debtors | 154 | - |
| Prepayments and accrued income | 266 | 315 |
| | 1,053 | 498 |

11. Current asset investments

At 31 December 2021, funds of £93k (2020: £58k) were invested in money market funds.

12. Creditors: amounts falling due within one year

| | 2021 £'000 | 2020 £'000 |
|---------------------------------|---------------|---------------|
| Trade creditors | 238 | 275 |
| Amounts owed to group companies | 154 | 692 |
| Other creditors | 100 | 109 |
| Taxation and social security | 108 | 228 |
| Accruals and deferred income | 702 | 806 |
| | 1,302 | 2,110 |

13. Creditors: amounts falling due after one year

There are no amounts falling due after one year (2020: £21k). The 2020 balance related to 69 Leadenhall Street, held under a lease, now shown as falling due within one year.

14. Provision for liabilities

There is a provision for dilapidation costs on the leasehold offices of £50k (2020: £50k). These dilapidation costs relate to the provisions within the lease which have a break clause in 2022.

15. Share capital

| | 2021 £'000 | 2020 £'000 |
|---------------------------------------|---------------|---------------|
| Allotted, called up and fully paid | | |
| 4,500,018 ordinary shares of 10p each | 450 | 440 |

During the year, 100,000 shares of 10p each were issued for an aggregate consideration of £1,000k.

ACT ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

16. Reserves

| | Share capital account £'000 | Share premium account £'000 | Retained deficit £'000 | Total £'000 | 2020 £'000 |
|----------------------------|--------------------------------------|--------------------------------------|------------------------------|----------------|---------------|
| At 1 January 2021 | 440 | 10,260 | (10,431) | 269 | 355 |
| Issue of shares | 10 | 990 | - | 1,000 | 1,000 |
| Deficit for the year | - | - | (998) | (998) | (1,086) |
| At 31 December 2021 | 450 | 11,250 | (11,429) | 271 | 269 |

17. Contingent liabilities

There were no contingent liabilities at 31 December 2021 or 31 December 2020.

18. Capital commitments

The company had capital commitments of £163k at 31 December relating to a project to implement a new CRM system (2020: nil).

19. Operating lease commitments

| | 2021 £'000 | 2020 £'000 |
|----------------------------|---------------|---------------|
| Within one year | 124 | 173 |
| Between two and five years | - | 124 |
| | 124 | 297 |

20. Ultimate parent undertaking

The company is a wholly-owned subsidiary of The Association of Corporate Treasurers, which is registered in England and Wales, which is therefore the company's controlling party. Copies of the ultimate parent undertaking's accounts may be obtained from 69 Leadenhall Street, London EC3A 2BG.

21. Related parties

No directors received any remuneration from the company during the year except the Chief Executive who was paid for her executive role (see note 5) but received no remuneration for her activities on Council (2020: £nil).

During the year a company, Redbridge Debt & Treasury Advisory, for which a director (Dino Nicolaides) is the UK Managing Director sponsored the ACT with income totalling £4k (2020: £3k) being received by the company during the year. No amounts were outstanding at 31 December 2021 (2020: nil).

Caroline Stockmann, Chief Executive of the company, is also an officer and board member of the National Association of Corporate Treasurers (NACT), a not-for-profit corporation, registered in the District of Columbia USA. In the year, the company charged £64k (2020: £58k) to the NACT. At 31 December 2021, £44k was outstanding (2020 £10k).